

IN THE CLAIMS

Please amend the claims to read as follows:

Listing of claims

1. (Canceled).
2. (Currently Amended) A ~~nickel positive electrode active material~~ method according to claim 18, wherein the rare earth compound is at least one selected from the group consisting of:
(a) a yttrium compound having characteristics produced by treating yttrium oxide with an aqueous alkaline solution and an oxidizing agent, (b) a lutetium compound having characteristics produced by treating lutetium oxide with an aqueous alkaline solution and an oxidizing agent, and (c) a ytterbium compound having characteristics produced by treating ytterbium oxide with an aqueous alkaline solution and an oxidizing agent.
3. (Currently Amended) A ~~nickel positive electrode active material~~ method according to claim 18, wherein a total amount of the rare earth compound is in the range of 0.1 to 4.0 wt% based on the nickel hydroxide particles.

4. (Currently Amended) A ~~nickel positive electrode active material~~ method according to claim 2, wherein the rare earth compound is a combination of the yttrium compound and the lutetium compound, wherein the two compounds satisfy the relation $50 \geq X \geq 5$, when weights of the yttrium compound and the lutetium compound are $(100-X)\%$ by weight and $X\%$ by weight, respectively.

5. (Currently Amended) A ~~nickel positive electrode active material~~ method according to claim 2, wherein the rare earth compound is a combination of the ytterbium compound and the lutetium compound, wherein the two compounds satisfy the relation $50 \geq X \geq 5$, when weights of the ytterbium compound and the lutetium compound are $(100-X)\%$ by weight and $X\%$ by weight, respectively.

6. (Currently Amended) A ~~nickel positive electrode active material~~ method according to claim 18, wherein the aqueous alkaline solution is an aqueous solution containing at least one selected from the group consisting of lithium hydroxide, sodium hydroxide and potassium hydroxide.

7. (Currently Amended) A ~~nickel positive electrode active material~~ method according to claim 18, wherein the oxidizing

agent contains at least one selected from the group consisting of an aqueous sodium hypochlorite solution and an aqueous potassium hypochlorite solution.

8-17. (Canceled).

18. (Currently Amended) A method of preparing a nickel positive electrode active material produced by comprising the steps of:

(a) activating a rare earth oxide by treating a material consisting essentially of the rare earth oxide with an aqueous alkaline solution and an oxidizing agent to produce ~~a~~ an activated rare earth compound; and, thereafter,

(b) adding nickel hydroxide particles to the activated rare earth compound in the absence of any rare earth compound except that activated in step (a).

19. (Canceled).

20. (New) A method according to claim 18, wherein the produced mixture is employed in production of a nickel positive electrode.

21. (New) A method according to claim 20, wherein the produced mixture is employed in production of a nickel metal hydride storage battery.